(c) The position of growth in credit from Schedule Commercial Banks is as given in the Table below:

	Variation (%)		
	Apr-Sept.		2002-03
	2003	2002	(Full year)
Bank Credit	0.9	4.6	16.1@

©Figures are net of the impact of mergers since May 3,2002.

(d) and (e) The indicators such as a pick up in industrial activity, moderate inflation, strong external sector performance and sustained export growth, provide for a favourable environment for a higher growth.

Clearance of Asset Reconstruction Companies

2249. SHRIPARMESHWAR KUMAR AGARWALUV: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have cleared some more Asset Reconstruction Companies;

(b) if so, what are the proposed new companies;

(c) by when, they are likely to be set up; and

(d) what is the likely impact of all the companies operating in the system, on the recovery position of the non-performing assets?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Reserve Bank of India (RBI) have reported that so far they have received fifteen applications from securitisation and reconstruction companies for registration. These applications are being scrutinised with the help of an External Advisory Committee constituted by RBI for the purpose. The Committee consists of distinguished persons in the field of banking, law and accountancy.

RBI have granted registration to Asset Reconstruction Company (India) Limited (Arcil), having its Registered Office in Mumbai and Assets Care Enterprise. Ltd., having its Registered Office in New Delhi.

RBI have reported that two applications have been returned as the applications were submitted without the companies being incorporated. Other applications are being processed.

(d) RBI have further reported that as the sector is in its nascent stage, it is premature to gauge the impact the Securitisation Companies/Reconstruction Companies operating in the system will have on the recovery position of non-performing assests, as it depends on how well this sector takes off in resolution of non-performing assets.

Growth of agriculture and industry sector

2250. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Agriculture and Industry sectors are expected to show better growth rates in the current financial years;

(b) if so, whether the performance so far is on the lines of the estimates; and

(c) to what extent Government have been successful in taking the economy on the path of progress?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBAADSUL): (a) and (b)As per the available information, the Central Statistical Organisation, at factor cost, at constant prices in the first quarter (April-June) of the current year has estimated a 5.7 per cent growth rate compared with 5.3 per cent during comparable period of last year. During the first quarter of the current year, the growth rate of agriculture and allied, and industry sectors are estimated at 1.7 per cent and 5.8 per cent respectively as compared with 2.7 per cent and 4.7 per cent during comparable period of the previous year. The rainfall during monsoon 2003 was normal with seasonal precipitation of 102 per cent of Long Period Average (LPA). As a result, overall performance of kharif foodgrains and most of the major kharif commercial crops, as per first advance estimate, has been assessed to be above normal. The whether and temperature conditions in post monsoon season so far also remained generally favourable for rabi crops. As per the Index of Industrial Production, the growth rate during April-October 2003 at 5.9 per cent